

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED GAS)
ADJUSTMENT FILING OF ELAM) CASE NO. 8178-N
UTILITY COMPANY)

O R D E R

On September 21, 1981, the Commission issued its Order in Case No. 8178 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On April 11, 1983, Elam Utility Company ("Elam") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective April 1, 1983, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Elam's notice of April 11, 1983, set out certain revisions in rates which Elam proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$14,816 or 29 cents per Mcf.

(2) Transmission has filed an application for decreased rates to become effective April 1, 1983, with the Federal Energy Regulatory Commission.

(3) Due to the retroactive nature of Transmission's decrease, Elam should report to the Commission any excess revenues collected during the period from April 1, 1983, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(4) Elam's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8178 dated September 21, 1981, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after April 1, 1983.

IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after April 1, 1983.

IT IS FURTHER ORDERED that, for the purpose of the future application of the purchased gas adjustment clause of Elam, the base rate for purchased gas shall be:

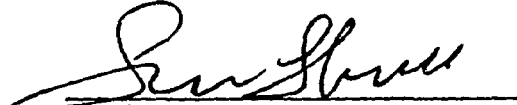
	<u>Demand</u>	<u>Commodity</u>
Columbia Gas Transmission Corporation	-	\$5.1264 per Mcf
Capitol Oil and Gas	-	3.95 per Mcf

IT IS FURTHER ORDERED that within 60 days of the date of this Order Elam shall report to the Commission any excess revenues collected during the period from April 1, 1983, to the date the proposed rates are implemented, along with a plan to refund any excess collections.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Elam shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 26th day of April, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 8178-N DATED APRIL 26, 1983.

The following rates and charges are prescribed for the customers in the area served by Elam Utility Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES: Monthly

RESIDENTIAL

Customer Charge	\$ 4.00
First 11 Mcf	7.64 per Mcf
Over 11 Mcf	8.64 per Mcf

COMMERCIAL

Customer Charge	\$ 5.00
All Mcf	7.64 per Mcf

Purchased Gas Adjustment Clause

<u>Supplier</u>	<u>Rate</u>
Columbia Gas Transmission Corporation	\$ 5.1264 per Mcf
Capitol Oil and Gas	3.95 per Mcf